SENATE BILL 701 By Yager

## **HOUSE BILL 1315**

By Curcio

AN ACT to amend Tennessee Code Annotated, Section 57-3-812 and Section 57-3-815, relative to the relationship between retail food stores and wholesalers.

## BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 57-3-815, is amended by deleting the section and inserting instead following:

(a) Except as otherwise provided in this subsection, no wholesaler licensed under § 57-3-203 and no manufacturer, winery, nonresident seller's permit holder, or any employee, agent, representative, or salesperson employed by or representing any such wholesaler, manufacturer, winery, or nonresident seller's permit holder shall provide any services to or for the benefit of a retail food store wine licensee including, but not limited to, services involving shelving, dressing, displaying, or setting inventory owned or purchased by the retail food store licensee. Nothing in this section shall prevent a wholesaler licensed under § 57-3-203 from unloading wine at a retail food store wine licensee location at the location's customary loading dock or assembling a temporary display, placing whole cases as part of that temporary display, positioning advertising as part of that display, or placing legal consumer offers, ratings, and product information on bottles, shelves, and displays. A manufacturer, winery, or nonresident seller may perform marketing activities within a retail food store wine licensee location for products produced or distributed by that manufacturer, winery, or nonresident seller. A wholesaler making a delivery of wine at a retail food store wine licensee location may do so at any time upon which the wholesaler and the retail food store wine licensee's manager mutually agree, whether or not the retail licensee is open to the public.

(b)

- (1) Notwithstanding subsection (a), a wholesaler licensed under § 57-3-203 may assist with the initial setting of a retail food store and may provide services including the setting of inventory at any store reset held pursuant to this subsection.
- (2) Unless the retail food store wine licensee sends notice, by certified mail, to each wholesaler that delivers to that store stating the date, time, location, permit number, and the contemplated moves in a planned reset or initial setting of alcoholic beverages, no wholesaler shall:
  - (A) Move any wine delivered to the premises of a retail food store by a competing wholesaler;
  - (B) Reset all or any part of the wine situated on the premises of a retail food store; or
    - (C) Engage in the initial setting of products in a new store.
- (3) A wholesaler whose products are situated on the premises of a retail food store may participate in any reset or initial setting of those products, and no retail food store, under any circumstances, may exclude a wholesaler from such participation.
- (4) The reset of all or any part of the wine situated on the premises of a retail food store must not occur more than two (2) times during any calendar year.
- (5) If a wholesaler who has been properly notified of a planned reset does not attend the reset or initial setting, the wholesaler's products may be moved by the retail food store conducting the reset or initial setting.
- (6) The retail food store wine licensee shall maintain on its premises a list of the names and addresses of the wholesalers who must receive notice under this section.

SECTION 2. Tennessee Code Annotated, Section 57-3-812, is amended by adding the following as a new subsection:

(e) A wholesaler may take pre-orders from a designated manager of a retail food store upon provision of an application for a retail food store wine license pending approval by the commission.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.

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